

DUKE ENERGY CAROLINAS, LLC
EXCESS DEFERRED INCOME TAX RIDER REVENUE REQUIREMENT - Year 6 ACCELERATED
For the Test Period Ending December 31, 2022
Docket No. 2023-388-E
(Dollars in thousands)

Annualized Rider Revenue Reuirements

1	As proposed, for year 6: August 1 2024 - May 31 2025	\$ (18,011)	[1]Jiggetts Exhibit 3 page 1 Line 13 - Rider Revenues Grossed Up to Annual Amount
2	As proposed with acceleration, effective August 1, 2024	\$(102,298)	[2] Jiggetts Exhibit 3 page 3 Line 12 - Rider Revenues Grossed Up to Annual Amount
3	Change in Rider Revenues incl. SC license Tax, PSC Utility Assessment F	\$ (84,287)	



Annual Rider Calculation without acceleration

Year 6 Rider Update (assumes normal update with no acceleration):

	Federal EDIT - Protected SC Retail (A)	Federal EDIT - Unprotected , PP&E related SC Retail (B)	Federal EDIT Unprotected, non PP&E related SC Retail (C)	Deferred Revenue SC Retail (D)	NC EDIT SC Retail (E)	Total SC Retail (F)
4 Regulatory liability including gross up for Year 5 Rider calculation	(359,395)	(215,723)	(16,352)	(13,024)	(17,405)	(621,899)
5 Annual Amortization (includes 7 months of actual and 5 months of projected)	12,160	13,483	16,352	13,024	17,405	72,424
6 Regulatory liability including gross up for Year 5 Rider calculation (LYear 6 Rider Update (assumes normal update with no acceleration)	(347,235)	(202,241)	-	-	-	(549,475)
7 Allocation to SC Retail excluding Greenwood	99.68%	99.68%	99.68%	99.68%	99.68%	
8 Regulatory liabilty for federal tax change including gross up for SC Retail excluding Greenwood (L6 x L7)	(346,113)	(201,587)	-	-	-	(547,700)
9 ARAM rate	2.88%					
10 Remaining amortization period	30.25	15	-	-	-	
11 Annual amortization amount excluding Greenwood	\$ (12,121)	\$ (13,439)	\$ -	\$ -	\$ -	\$ (25,560)

Amortization - From Page 1, LDocket No. 2018-319-E

Year	Beginning Balance	Federal EDIT - Protected	Federal EDIT - , PP&E related	Federal EDIT - Unprotecte d, non PP&E related	Deferred Revenue	NC EDIT	Total Amortizati on	Ending Balance before Return	Average of Beginning and Ending Balance	EDIT Balance in Base Rates [1]	Change in Regulatory Liability for Rider Return	Return for Rider	True-up for sales volume [2]	Rider Revenues	Revenues incl. SC license Tax, PSC Utility Assessmen t Fee	Rider Revenues Grossed Up to Annual Amount
12 Jun 24- Jul 24	(547,700)	\$ (2,020)	\$ (2,240)	\$ -	\$ -	\$ -	(4,260)	(543,440)	(545,570)	(818,340)	272,770	3,019	-	(1,241)	(1,248)	(7,487)
13 Aug 24- May 25	(543,440)	\$(10,101)	\$(11,199)	\$ -	\$ -	\$ -	(21,300)	(522,140)	(532,790)	(647,894)	115,104	6,369	-	(14,931)	(15,009)	(18,011)

DUKE ENERGY CAROLINAS, LLC
EXCESS DEFERRED INCOME TAX RIDER REVENUE REQUIREMENT - Year 6 ACCELERATED
For the Test Period Ending December 31, 2022
Docket No. 2023-388-E
(Dollars in thousands)

Line	Description	Federal EDIT - Protected SC Retail (A)	Federal EDIT - Unprotected, PP&E related SC Retail (B)	Federal EDIT - Unprotected, non PP&E related SC Retail (C)	Deferred Revenue SC Retail (D)	NC EDIT SC Retail (E)	Total SC Retail (F)
Year 5 Rider Update:							
1	Regulatory liability including gross up for Year 4 Rider calculation	[1] \$ (369,790)	\$ (229,206)	\$ (29,629)	\$ (26,047)	\$ (34,810)	\$ (689,483)
2	Annual Amortization (includes 7 months of actual and 5 months of projected)	[2] 10,395	13,483	14,815	13,024	17,405	69,121
3	Adjustment for estimated transition of Protected to Unprotected regulatory liability from 1/1/18-5/31/19	[3]		(1,538)			(1,538)
4	Regulatory liability including gross up for Year 5 Rider calculation (L1 + L2 + L3)	(359,395)	(215,723)	(16,352)	(13,024)	(17,405)	(621,899)
5	Allocation to SC Retail excluding Greenwood	[4] 99.68%	99.68%	99.68%	99.68%	99.68%	
6	Regulatory liability for federal tax change including gross up for SC Retail excluding Greenwood (L4 x L5)	(358,234)	(215,026)	(16,299)	(12,982)	(17,349)	(619,890)
7	ARAM rate	[3] 2.88%					
8	Remaining amortization period	30.25	16	1	1	1	
9	Annual amortization amount excluding Greenwood	[5] \$ (12,121)	\$ (13,439)	\$ (16,299)	\$ (12,982)	\$ (17,349)	\$ (72,190)
	Annual amortization amount including Greenwood	(12,160)	(13,483)	(16,352)	(13,024)	(17,405)	(72,424)
Year 6 Rider Update (Effective June 1, 2024):							
10	Regulatory liability including gross up as of June 1, 2024	\$ (347,235)	\$ (202,241)	\$ -	\$ -	\$ -	\$ (549,475)
11	Amortization June 1, 2024 - July 31, 2024	2,027	2,247	-	-	-	4,274
12	Regulatory liability including gross up as July 31, 2024 (L10 + L11)	(345,208)	(199,994)	-	-	-	(545,202)
13	Allocation to SC Retail excluding Greenwood	99.68%	99.68%	99.68%	99.68%	99.68%	
14	Regulatory liability for federal tax change including gross up for SC Retail excluding Greenwood (L12 x L13)	(344,093)	(199,347)	-	-	-	(543,440)
15	ARAM rate						
16	Remaining amortization period		2	-	-	-	
17	Annual amortization amount excluding Greenwood	\$ (12,121)	\$ (99,674)	\$ -	\$ -	\$ -	\$ (111,794)
Year 6 Rider Update (Effective August 1, 2024):							
18	Regulatory liability including gross up as of July 31, 2024	\$ (345,208)	\$ (199,994)	\$ -	\$ -	\$ -	\$ (545,202)
19	Amortization August 1, 2024 - May 31, 2025	10,133	83,331				
20	Regulatory liability including gross up as June 1, 2025 (L1 + L2)	(335,075)	(116,663)	-	-	-	(451,738)
21	Allocation to SC Retail excluding Greenwood	99.68%	99.68%	99.68%	99.68%	99.68%	
22	Regulatory liability for federal tax change including gross up for SC Retail excluding Greenwood (L3 x L4)	(333,992)	(116,286)	-	-	-	(450,278)
23	ARAM rate						
24	Remaining amortization period		1.17				
25	Annual amortization amount excluding Greenwood	\$ (12,121)	\$ (99,674)	\$ -	\$ -	\$ -	\$ (111,794)

Notes:

- [1] Docket No. 2018-319-E, Excess Deferred Income Tax Rider Calculation - Year 4, Exhibit 1, Page 1, Line 3
- [2] Per book amortization June 2022 - December 2022 plus projected amortization Jan 2023 - May 2023
- [3] Provided by the Tax Department
- [4] Allocation - SCRGW - NETPLT w Nfuel
- [5] Annual amortization for protected is projected amortization. Annual amortization for remaining categories is regulatory liability for Year 5 (Line 6) divided by remaining amortization period (Line 8)

DUKE ENERGY CAROLINAS, LLC
EXCESS DEFERRED INCOME TAX RIDER REVENUE REQUIREMENT - Year 6 ACCELERATED
For the Test Period Ending December 31, 2022
Docket No. 2023-388-E
(Dollars in thousands)

Line	Cost of Capital per Smith Exhibit 1	Ratio	Rate	After Tax Weighted Average Cost of Capital (WACC)
1	Debt	47.00%	4.53%	1.60%
2	Equity	53.00%	9.50%	5.04%
3	After Tax Weighted Average Cost of Capital			6.64%
4	Statutory Tax Rate			24.95%
5	Retention factor for Gross Receipts Taxes and PSC Utility Assessment Fee			99.48%

Annual Rider Calculation

Amortization - From Page 1, L9																	
Line	Year	Beginning Balance (A)	Federal EDIT - Protected (B)	Federal EDIT - Unprotected, PP&E related (C)	Federal EDIT - Unprotected, non PP&E related (D)	Deferred Revenue (E)	NC EDIT (F)	Total Amortization (G) =(B)+(C)+(D) +(E)+(F)	Ending Balance before Return (H) = (A) - (G)	Average of Beginning and Ending Balance (I) = ((A) + (H)) / 2	EDIT Balance in Base Rates [1] (J)	Change in Regulatory Liability for Rider Return (K) = (I) - (J)	Return for Rider (L) = (K) x After Tax WACC	True-up for sales volume [2] (M)	Rider Revenues (N) = (G) + (L) + (M)	Revenues incl. SC license Tax, PSC Utility Assessment (O) = (N) / Retention Factor	Rider Revenues Grossed Up to Annual Amount (P) = (O) / mths in period * 12
6	Jun 19- May 20	(862,445)	(10,361)	(13,439)	(13,588)	(5,891)	(17,344)	(60,625)	(801,821)	(832,133)	(818,340)	(13,793)	(916)	-	(61,540)	(61,814)	(61,814)
7	Jun 20- May 21	(830,816)	(10,206)	(13,439)	(14,767)	(12,982)	(17,349)	(68,743)	(762,073)	(796,444)	(818,340)	21,896	1,454	(211)	(67,499)	(67,838)	(67,838)
8	Jun 21- May 22	(757,377)	(14,902)	(13,439)	(14,767)	(12,982)	(17,349)	(73,439)	(683,938)	(720,657)	(818,340)	97,683	6,486	(2,491)	(69,444)	(69,816)	(69,816)
9	Jun 22- May 23	(687,255)	(11,586)	(13,439)	(14,767)	(12,982)	(17,349)	(70,122)	(617,133)	(652,194)	(818,340)	166,146	11,032	(616)	(59,706)	(60,015)	(60,015)
10	Jun 23- May 24	(619,890)	(12,121)	(13,439)	(16,299)	(12,982)	(17,349)	(72,190)	(547,700)	(583,795)	(818,340)	234,545	15,574	1,068	(55,548)	(55,838)	(55,838)
11	Jun 24- Jul 24	(547,700)	(2,020)	(2,240)	-	-	-	(4,260)	(543,440)	(545,570)	(818,340)	272,770	3,019	-	(1,241)	(1,248)	(7,487) [3]
12	Aug 24- May 25	(543,440)	(10,101)	(83,061)	-	-	-	(93,162)	(450,278)	(496,859)	(647,894)	151,035	8,357	-	(84,805)	(85,248)	(102,298)
13	Jun 25- May 26	(450,278)	(12,121)	(99,674)	-	-	-	(111,794)	(338,484)	(394,381)	(647,894)	253,513	16,833	-	(94,961)	(95,458)	(95,458) [3]
14	Jun 26- Jul 26	(338,484)	(2,020)	(16,612)	-	-	-	(18,632)	(319,851)	(329,167)	(647,894)	318,727	3,527	-	(15,105)	(15,184)	(91,105) [3]
15	Aug 26- May 27	(319,851)	(10,101)	-	-	-	-	(10,101)	(309,750)	(314,801)	(647,894)	333,093	18,431	-	8,330	8,374	10,049
16	Jun 27- May 28	(309,750)	(12,121)	-	-	-	-	(12,121)	(297,630)	(303,690)	(647,894)	344,204	22,855	-	10,734	10,790	10,790

[1] Docket No. 2018-319-E, Updated Smith Exhibit 2 (Directive), Page 1, L1 x L6
[2] Docket No. 2018-319-E, Excess Deferred Income Tax Rider Calculation - Year 5, Exhibit 2, Page 1, L17
[3] The rider amounts for years 6 through 8 are shown for illustrative purposes only. Actual rider amounts will be filed each year with updates discussed in Smith testimony by March 31 for Commission approval.